eScrap Service/Contract Announcement
January 1, 2009

In early 2007, the Commonwealth Office of Technology initiated a **Green IT Program Initiative.** This program was developed to identify and prioritize projects and investments with the greatest potential for energy efficiency, environmental stewardship and cost savings. This program was developed to complement the greening of government efforts currently underway by the Governor's Office, the Energy and Environment Cabinet and the Finance and Administration Cabinet. The Green IT initiative will address the entire life cycle of the electronic hardware and related components procured and used across state government.

The first major accomplishment of this initiative is a statewide contract for the recycling of Commonwealth eScrap (end of life computer equipment, components & office electronics). This new contract, which was effective January 1, 2009, was awarded through a competitive bid process to **Creative Recycling Systems Inc**. of Tampa Florida.

The Commonwealth conservatively disposes of over 5 million pounds of electronic eScrap each year and this new contract provides assurances that this large volume of scrap will be recycled/reused in an environmentally sound manner and also ensures the proper sanitization of any data/information remaining on hard drives and in memory. Creative Recycling also has established a hub for the collection and handling of eScrap collected in Kentucky. The facility is located in the River Port Industrial Park in Jefferson County.

This contract was issued by the Office of Procurement Services as an "**all state agency**" contract that allows the Executive, Judicial, Legislative branches of government, school districts, Council on Postsecondary Education (CPE) and any other public (not for profit) entity to use this new contract. The contract provides for statewide pickup and recycling services with only 5% or less of the scrap going to Commonwealth landfills. This contract is unique in that the vendor will reimburse the agencies/school districts/universities/local governments for selected items (see the chart below) by item or pound for many of the items aggregated for recycling. Currently, many communities and educational entities do not receive any reimbursement or must pay a fee for eScrap recycling services.

Agencies that collaborated in the development of this solicitation/contract include the:

- Division of Waste Management
- Division of Surplus Properties
- Office of Education Technology – K-12
- Council on Post-Secondary Education
- Office of Procurement Services
- Commonwealth Office of Technology

Commonwealth aggregations points for eScrap pickup will be the following:

- **Executive, Legislative and Judicial Branch Location** – Division of Surplus Properties or through scheduled pickup (minimum volumes apply) at county/regional locations across the state
- **K-12** – Each central School District location
- **Higher Education** (university and student scrap)– Central facility at each college or university
- **Other Political Subdivisions** – Per agreement between the vendor and the aggregator

There are no changes in the surplus property procedures or process for Executive Branch agencies. All of the eScrap aggregated by the Division of Surplus Properties will be sorted according to the terms and conditions of the contract and immediately loaded on a secure trailer that will be picked up by the vendor for recycling at arranged intervals. To arrange for the pickup of a significant volume of eScrap in a location other that Surplus Properties, go to the following website and scroll down in the left column to "Commonwealth of Kentucky Service Info". To access the state information, use the temporary ID and Password (ID = kentucky & Password = ky08vip). The tool/navigation bar will provide the forms, instruction and contact information to communicate with the vendor and schedule a pickup of eScrap at your site.

http://www.crserecycling.com/

If your surplus IT equipment has been shipped to Frankfort for disposal by the Division of Surplus Properties, no action is required by the agency. The vendor makes routine stops at Surplus Properties in Frankfort to pickup eScrap for recycling.

The Commonwealth Reimbursement Schedule is shown below:

eScrap Category	Reimbursement Rate or Charge – Per Unit	Reimbursement Rate or Charge – Per Pound
Monitors and Terminals (excluding televisions)	0	0
Complete Laptop Computers	$15.00	2.00
Console and Table Top Televisions	$7.50 charge	.15 charge
Printers & Fax Machines	0	0
Complete CPU's & Accessories	$7.00	.25
Cell Phones	0	0
Drives and Memory for sanitization	0	0
Misc. Components	$3.00 charge	.15 charge
Copy Machines	0	0
LAN/WAN Components	0	0
Misc. Wiring and Cables	No Per Unit Rate	.10
Computers Stripped of Components	No Per Unit Rate	.10

While not all categories are revenue generating, the revenue from the computers and cables should more than offset other fee items or other recycling/disposal sources may be available for non-revenue generating categories. Creative Recycling also offers a **Take-back Program** for all Commonwealth computers that are refurbished and placed back in use within the private and public sectors. At end of life, these refurbished machines are cycled back through the recycling processes provided by the vendor.

Drives and memory for sanitization will be separated for secure packaging, transport and disposal by the vendor according to the Commonwealth's enterprise standards for drive/memory sanitization. The vendor has agreed to provide this service free of charge and comply with this standard in full to ensure that all Commonwealth information/data is securely managed throughout the transport, storage and sanitization processes.

While this contract is for IT equipment and components, the primary concern is the requirement for compliance with environmental standards. In view of this concern, the Executive Branch contract will be jointly administered by the Finance and Administration Cabinet, Office of Procurement Services and the Division of Waste Management in the new Energy and Environment Cabinet. The primary eScrap contact at the Division of Waste Management is Tom Heil. Tom's phone number is 502-564-6716, ext. 4640 and his email is Thomas.heil@ky.gov.

Contact points for other major organizations that collaborated on the development of the RFP and contract roll-out for their respective areas of expertise include:

- Office of Procurement Services – Amy Richardson amy.richardson@ky.gov
- Commonwealth Office of Technology – Tommy Case Tommy.case@ky.gov
- Division of Surplus Properties - Don Murphy Donovan.murphy@ky.gov
- Council on Postsecondary Education – Stuart Johnston Stuart.johnston@ky.gov
- Office of Education Technology (K-12) – Renee Carter renee.carter@education.ky.gov